GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:3230
ANSWERED ON:06.09.2007
FREE UPGRADATION TO BUSINESS CLASS SEATS IN INDIAN AIRLINES
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Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the practice of free upgrades to business class seats in Indian Airlines has resulted in the loss of crores of rupees every year;

(b) if so, the reaction of the Government thereto ;

(c) the details of the loss incurred during the last three years in this regard;

(d) the remedial measures taken by the Government to improve the economic condition of Indian Airlines; and

(e) the success achieved during the last one year in this regard ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a): No, Sir.

(b) and (c): Do not arise.

(d) and (e): An amount of Rs.325 crores was released by the Government to the erstwhile Indian Airlines in October, 2005 as budgetary support. The said funds have been utilised as part of margin money for purchase of 43 new aircraft. Indian Airlines and Air India have now been merged with National Aviation Company of India Ltd. The merger will provide an opportunity to leverage combined assets and capital better and build a stronger airline.